

Financial Management Services

Partners in Self-Direction
Presented by SRS/DBHS/CSS
Implementation 09/01/11

Presentation Etiquette

- Please hold all questions until the end
- Questions may be emailed or submitted via live chat
- Conference lines will be muted during the presentation

Overview

- What is FMS?
- Why are we changing from our current system?
- Responsibilities of an FMS provider and individual choosing to self-direct
- Provider Requirements
- Provider Agreement
- Provider Enrollment
- Reimbursement of Services
- Program Specific Roles and Requirements

What is FMS?

- FMS is an acronym for financial management services
- Partner with individuals who choose to self-direct as co-employers
- Replaces current payroll agent process in Kansas
- Kansas elected to operate FMS as an Agency with Choice(AWC) and is inclusive of the following:
 - Administration functions
 - Information & Assistance

Why are We Changing?

- Under the direction of Centers for Medicare and Medicaid (CMS), Kansas is required to change the current payroll agent process to FMS and service structure
- CMS requires a separation of the administrative functions from direct service payment rates
- Incorporates more stringent requirements

Important Terms for FMS and Self-Direction

- Direct Support Worker (DSW)
- SRS/KDOA and FMS Provider Agreement
- Other Required Service Agreements
 - FMS Provider and Customer Agreement
 - Customer and (DSW) Employment Service Agreement
 - FMS Provider and Caregiver Agreement
- Link to FMS Information and Service Agreement: <http://selfdirect.ks.gov/>

Individual and FMS Responsibilities

Individual Rights & Responsibilities

- An FMS provider must inform the individual, who has chosen to self-direct, of his/her rights & responsibilities to:
 - Choose and direct support services
 - Choose and direct the workers who provide the services
 - Perform the roles and responsibilities as employer
 - Understand the roles and responsibilities of the FMS provider
 - Receive initial and ongoing skills training as requested
- The individual or his/her designated representative must negotiate, review, and sign an FMS and Customer Service Agreement.

FMS Administrative Responsibilities

- Comply with the provisions of KSA 39-7,100 [Home and community based services program] and KSA 65-6201 [Individuals in need of in-home care; definitions]
- Execute a Provider Agreement with State Operating Agency
- Execute a Medicaid Provider Agreement with State Fiscal Agent
- Comply with state regulations, Medicaid and SRS/KDOA Provider Agreement requirements, policies, and procedures

FMS Administrative Responsibilities(cont'd)

- Develop and implement procedures, internal controls, and safeguards that must be written and must include, at a minimum:
 - Efficient processing of (DSW) human resource documentation and payroll
 - Supports the individual or individual's representative's authority to select, recruit, hire, manage, dismiss, and train direct support workers
 - Informs (DSW) of the time keeping process, wages, benefits, pay days, work hours, and the individual's self-direct preferences
 - Assure that individual or individual's representative, not FMS provider, determines the terms and conditions of work
 - Internal controls to ensure individual or individual's representative is afforded choice and control over workers without excessive restrictions or barriers
 - A process for individual or individual's representative to pay (DSW) and to delegate the payment by direct deposit, first class mailing, or other means through the FMS provider agency staff

FMS Administrative Responsibilities(cont'd)

- Ensure the name and contact information of the FMS provider is made available to individual or individual's representative
- Assume responsibilities in providing related FMS administrative services
- Ensure individual or individual's representative understands his/her self-directed responsibilities
- Ensure the (DSW) understands his/her responsibilities to individual receiving self-directed services and his/her representative

FMS Administrative Responsibilities(cont'd)

- Maintain a listing of available direct support workers desiring additional employment
- Develop, implement, and maintain an internal quality assurance program that monitors for:
 - Self-directed beneficiary's satisfaction
 - Direct support worker's satisfaction
 - Correct submission of direct support worker's time worked
 - Correct payroll distribution

FMS Administrative Responsibilities(cont'd)

- Develop, implement, and test an adequate backup plan
- Maintain evidence of certifications, agreements, and affiliations as required by waiver or policy
- Note: FMS administrative responsibilities can be accessed in the KMAP provider manual at the following link: <https://www.kmap-state-ks.us/public/providermanuals.asp>

FMS Information & Assistance Responsibilities

- Information and Assistance (I&A) is a required FMS function
- I&A service function is to provide information and assistance to ensure individual and representative understand the responsibilities involved with directing their services.
- I&A services may include activities that nominally overlap with the provision of information concerning self-direction provided by a case manager.

FMS Information & Assistance Responsibilities(cont'd)

- I&A services may provide assistance to individual or individual's representative with:
 - Defining goals, needs, and resources
 - Identifying and accessing services, supports, and resources as they pertain to self-directed activities
 - Learning practical management skills training (such as hiring, managing, and terminating workers; problem solving; conflict resolution)
 - Recognizing and reporting critical events (such as fraudulent activities, abuse)
 - Managing services and supports
- The Kansas "Self-Direction Tool Kit" is recommended as a resource for I&A.

FMS Information & Assistance Responsibilities(cont'd)

- The I&A services a individual chooses to access must be outlined in a service agreement that identifies what support a self-directing individual may want or need.
- I&A services may provide information to the self-directing representative about:
 - Individual-centered planning
 - Range and scope of individuals choices and options
 - Grievance and appeals processes
 - Risks and responsibilities of self-direction
 - Individual rights
 - Importance of ensuring direct support worker's health and safety in order to reduce potential injuries and workers compensation insurance claims
- **Note:** This may include participation in training as directed by the self-directing individual.

FMS Information & Assistance Responsibilities(cont'd)

- I&A services may provide information to the self-directing representative about:
 - Reassessment and review schedules
 - Importance of keeping the FMS provider agency and case manager informed with current contact information and planned absences
 - Other subjects pertinent to the individual or representative including, but not limited to :
 - Managing and directing services and li
 - Living independently and safely in the community in the most integrated setting

FMS Information & Assistance

Responsibilities(cont'd)

- The Kansas “Self-Direction Tool Kit” is recommended as a resource for I&A.
 - Resource link: <http://www.srs.ks.gov/agency/css/Pages/K-PASSSelf-DirectionToolKit.aspx>
- The I&A services must be outlined in a service agreement that identifies what support a self-directing individual may want or need.
 - Resource link: <http://selfdirect.ks.gov/CaseManagersAndProviders/Pages/Forms.aspx>

Provider Requirements

Provider Requirements

- SRS/KDOA Provider Agreement
- Medicaid Provider Agreement with Kansas Medicaid
- Registration with the Secretary of State's Office, if required.
- Insurance defined as:
 - Liability insurance
 - Workers Compensation Insurance
 - Unemployment Insurance, if applicable
 - Other Insurances, if applicable
- Annual Independent Financial Audit
- Demonstrate financial solvency
- Maintain required policies/procedures

Provider Agreements

SRS-KDOA and FMS Provider Agreement

- Provider Duties
- Payment to Provider
- Terms of Agreement
- Agreement Termination, Default and Remedies
- Retention of and Access to Records
- Independent Contractor Status
- Incorporation of the State of Kansas Contractual Provisions
- Service of Notices
- Others as identified in 9-17 of this agreement
- *Must be signed by applicable operating agency of respective waivers*
- *Required for Medicaid enrollment*

FMS Provider and Customer Agreement

- The customer (“Customer”) is a participant in an HCBS Waiver program administered by the Kansas Department of Social and Rehabilitation Services (SRS), and has elected to self-direct his or her services.
- Customer has selected FMS provider and agrees:
 - Comply with the Plan of Care
 - Comply with any instructions, rules or policies maintained by the FMS related to billing and payment for services rendered.
 - Comply with Kansas statutes, regulations, or policies and payment for such services.
- **Note:** This document contains core program requirements and is being provided for educational and technical assistance. While a Customer and Direct Support Worker may use this template, it is not offered nor may it be construed as individual legal advice. Alterations of this document must, at a minimum, include each of the above provisions.

Customer and Direct Service Worker Agreement

- The Customer has selected the DSW to provide HCBS Waiver services.
- Both the Customer and the DSW agree to:
 - Comply with the Plan of Care
 - Comply with all other applicable HCBS program requirements.
 - Comply with any instructions, rules or policies maintained by the FMS related to billing and payment for services rendered.
 - Comply with Kansas statutes, regulations, or policies and payment for such services.
- DSW agrees to cooperate with the customer's Case Manager and SRS regarding any questions and/or inquiries regarding the Customer.
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FMS Provider and Direct Support Worker Agreement

- The Customer has selected an FMS provider of choice who enter into an agreement with the FMS provider of choice
- DSW agrees to:
 - Comply with Plan of Care
 - Comply with all other applicable HCBS program requirements.
 - Comply with any instructions, rules or policies maintained by the FMS related to billing and payment for services rendered.

- DSW agree to(cont'd):
 - Comply with Kansas statutes, regulations, or policies and payment for such services.

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Provider Enrollment

Provider Enrollment

- Medicaid Provider Agreement
 - The Medicaid Provider Agreement can only be obtained upon the presentation of a valid, approved SRS/KDOA Provider Agreement.
 - Medicaid provider requirements are available at <https://www.kmap-state-ks.us>.
- Prospective providers must register with the Secretary of State's office to establish the following:
 - The entity must be in good standing with all Kansas laws/business requirements.
 - Owners/principles/administrators/operators have no convictions of embezzlement, felony theft, or fraud.
 - Owner, primary operator, and administrator of the FMS business must live in a separate household from waiver recipient receiving services from the FMS business.
 - Business is established to provide FMS to more than one waiver recipient.

Provider Enrollment

- New Medicaid Provider
 - Complete SRS-KDOA and FMS Provider Agreement and send to agency for approval
 - Complete Medicaid enrollment packet including specialty page
 - Submit approved agreement and completed Medicaid enrollment to Kansas Medical Assistance Program (KMAP)
- Existing Medicaid Provider
 - Providers have the option of completing a reenrollment at this time or;
 - Complete only the “specialty page” of the enrollment packet with a cover letter requesting “amendment of the specialty page”
 - Attach approved SRS-KDOA and FMS Provider Agreement
 - Submit approved agreement with amended specialty page, and (if applicable) completed Medicaid enrollment to KMAP

Provider Enrollment

- SRS/KDOA Provider Agreement
 - Applications are available on the following website:
<http://www.srs.ks.gov/agency/css/Pages/default.aspx> or www.aging.ks.gov.
 - The application must be completed and returned as identified on the website.
 - The application must be complete. Incomplete applications or the failure to provide required documentation will result in pending the application to await completed documentation.
 - SRS/KDOA Provider Agreements are valid for three years unless revoked, withdrawn, or surrendered.

Reimbursement of Services

Reimbursement of FMS

- FMS is reimbursed at \$115.00 per member per month, (one unit=one month)
- Limited to one FMS provider per plan of care
- Reimbursement of claim
 - Procedure code T1040(U2) must be submitted in field 24D of the CMS-1500 claim form
 - Diagnosis code 780.99 in field 21 on the CMS-1500 claim form
 - Dates of service must not overlap
- Client Obligation
 - The assigned service provider must not reduce the billed amount on the claim by the client obligation because the liability will automatically be deducted as claims are processed.
- Documentation requirements

Reimbursement of Self-Directed Service

- Reimburse rate for self-directed service is program specific
- DSW rate is based on hourly wage and includes allowance for the following:
 - SUTA
 - FUTA
 - FICA
 - Workers Compensation Insurance
- The direct reimbursement rate per unit of service for self-directed service must not be less than the minimum rate established by SRS or KDOA

Program Specific Roles & Requirements

(Reserved for specific programs)

HCBS Waiver Program Managers

KDOA

- Frail Elderly (FE):
 - Krista Engel, Krista.Engel@aging.ks.gov

SRS Programs

- Mental Retardation/Developmental Disability(MR/DD):
 - Greg Wintle, greg.wintle@srs.ks.gov
- Physical Disability(PD):
 - Candace Cobb, candace.cobb@srs.ks.gov
- Technology Assisted (TA):
 - Kimberly Pierson, kimberly.pierson@srs.ks.gov
- Traumatic Brain Injury (TBI):
 - Michael Deegan, michael.deegan@srs.ks.gov

Resources

- Community Supports& Services:
 - <http://www.srs.ks.gov/agency/css/Pages/CSSServices.aspx>
- Financial Management Services:
 - http://selfdirect.ks.gov/CaseManagersAndProviders/Pages/FMS_Information.aspx
- Kansas Medical Assistance Program
 - <https://www.kmap-state-ks.us/public/homepage.asp>
- HCBS Enrollment Packet
 - <https://www.kmap-state-ks.us/Documents/Content/Checklists/HCBS.pdf>

Case Management Training

- Reserved for specific programs